

Regular Session, 2010

HOUSE CONCURRENT RESOLUTION NO. 216

BY REPRESENTATIVE ROBIDEAUX

TAX/TOBACCO TAX: Suspends, from Aug. 10th, 2010, through Aug. 13th, 2010, the state excise tax on cigars and smoking tobacco given away by a dealer

1 A CONCURRENT RESOLUTION

2 To suspend from 12:01 a.m. August 10th through 11:59 p.m. on August 13th, 2010, the
3 provisions of R.S. 47:841(A) and (C) as it relates to the excise tax collected on cigars
4 and smoking tobacco by the state when a dealer gives away cigars or smoking
5 tobacco for advertising or any other purpose whatsoever.

6 WHEREAS, according to the provisions of R.S. 47:841, the state imposes a tax upon
7 the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking
8 and smokeless tobacco according to certain classifications and rates; and

9 WHEREAS, R.S. 47:854, provides, in part, that "it is the intent and purpose of this
10 Chapter to levy an excise tax on all cigars, cigarettes and smoking tobacco, as defined in this
11 Chapter, sold, used, consumed, handled or distributed in this state, except as provided in R.S.
12 47:855 and to collect same from the dealer who first sells, uses, consumes, handles or
13 distributes the same in the State of Louisiana."; and

14 WHEREAS, R.S. 47:854 further provides that "it is further the intent and purpose
15 of this Chapter that where a dealer gives away cigars, cigarettes or smoking tobacco for
16 advertising or any other purpose whatsoever the same shall be taxed in the same manner as
17 if they were sold, used, consumed, handled or distributed in this state."; and

18 WHEREAS, beginning August 10th and ending on August 13th, 2010, the City of
19 New Orleans will be hosting a convention for the International Premium Pipe and Cigar
20 Retailers Association wherein, according to the participation of the convention the City

1 hosted in 2008, nearly two thousand nine hundred delegates and over two thousand three
2 hundred exhibitors are expected to attend and participate in the convention; and

3 WHEREAS, this convention is considered a private professional meeting that is not
4 open to the general public and is organized by tobacco businesses intended to promote new
5 and innovative tobacco and tobacco products, including in many cases, providing delegates
6 with a sample of a cigar or new smoking tobacco blend in order to promote sales and orders
7 of their products; and

8 WHEREAS, Louisiana is competing for the convention to be held in 2013 with other
9 venues, such as Las Vegas and Houston, which do not impose excise taxes on samples of
10 cigars, smoking tobacco, and tobacco products given away at conventions such as this; and

11 WHEREAS, the potential positive economic impact to the city of New Orleans and
12 the state of Louisiana generated from the direct and indirect spending of the convention's
13 delegates and exhibitors in local restaurants and other tourist venues is expected to exceed
14 fifteen million dollars in August, which is typically a slow month for conventions and
15 tourism; and

16 WHEREAS, the potential economic impact realized by the city of New Orleans and
17 by the state of Louisiana from hosting this convention far exceeds the amount of excise tax
18 that the state of Louisiana will forego collecting on cigars and smoking tobacco given away
19 at this convention by the dealer as a result of this suspension of the tax from August 10th
20 through August 13th, 2010.

21 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends
22 the provisions of R.S. 47:841(A) and (C) as it relates to the excise tax collected on cigars and
23 smoking tobacco by the state when a dealer gives away cigars or smoking tobacco for
24 advertising or any other purpose whatsoever.

25 BE IT FURTHER RESOLVED that this suspension shall become effective upon
26 adoption of this Resolution and shall extend from 12:01 a.m. August 10th through 11:59
27 p.m. on August 13th, 2010.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Robideaux

HCR No. 216

Suspends from 12:01 a.m. Aug. 10th through 11:59 p.m. on Aug. 13th, 2010, the provisions of R.S. 47:841(A) and (C) as it relates to the excise tax collected on cigars and smoking tobacco by the state when a dealer gives away cigars or smoking tobacco for advertising or any other purpose whatsoever.

(Suspends R.S. 47:841(A) and (C))